82D CONGRESS
1st Session
HOUSE OF REPRESENTATIVES
REPORT
No. 581

AMENDING THE ACT OF AUGUST 7, 1946, SO AS TO AUTHORIZE THE MAKING OF GRANTS FOR HOSPITAL FACILITIES, TO PROVIDE A BASIS FOR REPAYMENT TO THE GOVERNMENT BY THE COMMISSIONERS OF THE DISTRICT OF COLUMBIA, AND FOR OTHER PURPOSES

JUNE 15, 1951.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. SMITH of Virginia, from the Committee on the District of Columbia, submitted the following

REPORT

[To accompany H. R. 2094]

The Committee on the District of Columbia, to whom was referred the bill (H. R. 2094) to amend the act of August 7, 1946, so as to authorize the making of grants for hospital facilities, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill (H. R. 2094) do pass.

This bill amends the first section of the act of August 7, 1946 (Public Law 648, 79th Cong.), by adding a new subsection thereto under which the Federal Works Administration would be empowered to make grants to nonprofit private agencies operating hospital facilities in the District of Columbia. This subsection would permit grants to nonprofit hospitals in addition to those proposed for the hospital center. The grants would be in the form of cash, land, or other property and upon such terms and in such amounts as the Administrator deems to be in the public interest to enable such agencies to make surveys, to plan, design, construct, remodel, relocate, rebuild, renovate, extend, equip, furnish, or repair hospital facilities in the District. Such grants would be limited so as not to exceed 50 percent of the value of the hospital plant as improved with the aid of such grant.

Under the act of August 7, 1946, the District of Columbia is charged with 30 percent of the net amount which the Federal Works Administrator might expend under the act, such charge to be repaid to the Government by the District at such times and in such amounts, without interest, as Congress shall determine.

H. R. 2094 would eliminate the provision that the District's share of the cost under the act be repaid at an indefinite date and substitutes in lieu thereof language which would require the District to repay its share at the annual rate, without interest, of 3 percent. This would allow the repayment to be made in a period of 33⅓ years. This repayment is believed to be reasonable in view of the life expectancy of modern hospital construction.

In appearing before a hearing of a subcommittee of the House District Committee, under date of May 11, 1951, Mr. W. E. Reynolds, Commissioner of the Public Buildings Services, whose duty it would be to administer this law, testified favoring this legislation and part of his testimony in support of this bill is included herein.

I have been rather closely associated with this legislation now since it was approved in August 1946. We have worked on this hospital center with three hospital units—Emergency Hospital, Garfield, and Episcopal Eye, Ear, and Throat. We have worked out a hospital plan developing the various utilities and things that go into it; but no work up to now has been done in actual construction although we have funds appropriated to start the project and contract authority up to $21,700,000 to complete it.

The delay has been largely due to a location. After an extended study of the areas in the District of Columbia, it was concluded that the best location for the hospital center, which would have approximately 1,000 beds, would be the Naval Observatory on Massachusetts Avenue. For several years now the Navy has been attempting to get funds to replace that operation because the traffic interferes somewhat with the work they have to do. They have already purchased land in Virginia to relocate that facility.

However, nothing has been done by the Congress and, therefore, nothing so far has been done as to the hospital center because each year it seemed as though that site would become available. It has about 83 acres of space, and it would be a very excellent location.

Some months ago when it was apparent that this site would not become available, negotiations then were started by the Bureau of the Budget to make available to the Federal Government the southerly portion of the area occupied at Soldiers' Home, and that has now been done. We are presently working with the three hospitals as a group on a contract to be entered into with them specifying in detail the properties which will be transferred to the Federal Government, etc.

If you will recall, the original bill which established a hospital center provided that the facilities that they are now using, when vacated, would become the property of the Federal Government. The law also provided that the District of Columbia would pay 30 percent of the moneys advanced by the Federal Government, but there was no formula established in the original bill as to the manner in which it should be paid. The bill simply said that that would be for later determination by the Congress.

This amendment is substantially the same as the bill reported out by the committee in 1946 and which was stricken from the bill on action on the floor of the House. It has several major advantages. One perhaps minor advantage is that it spells out clearly the manner in which the District of Columbia will meet its obligations under any construction program; namely, that it will pay 3 percent a year which would amortize their portion of the cost in 33⅓ years.

Also it has a second advantage, as I see it—and I have based this upon a study of the hospital problem in the District of Columbia and elsewhere for quite some time—and that is that there are several private hospitals, nonprofit hospitals, in the District of Columbia most of whose plants are in very bad condition. They need to do something about them.

This proposal would permit the extensive remodeling of present facilities or the construction of new facilities, and would give a distribution of hospital facilities throughout the area which is not provided by the hospital center itself. I don't mean to argue against the hospital center by any means, but this bill provides other operating units scattered throughout the District which would be of tremendous value in case of an attack on the city of Washington.

It also has the advantage of placing facilities rather close to the people who need to use them. It might be well to mention one condition in connection with the design of hospitals which I think is of some importance as it relates to old hospitals.

Everyone is cognizant of the changes in medical services that the hospitals are able to give and also the new drugs, etc., that have come into being. We designed and keep in repair the marine hospitals for the Public Health Service, and so we watch their operation pretty closely. We find that the hospitals built some years ago do not meet the modern demands of medicine. The advent of the new drugs and also the new surgical techniques which have been introduced in the last 4 or 5 years have meant that where a patient formerly would be confined to a bed for 18 days with a hernia, for example, now he is up the next morning. The time of the patient in the hospital has been cut almost in two.

Therefore, the hospitals are able to maintain more patients in a yearly period than they were before. But that carries with it a further problem, and that is that those patients are acutely ill. The modern hospital today is not partially an acute hospital and a partially ill-convalescent home. It is primarily for the acutely ill.

It is possible also now through the use of the out-patient service to give treatment to patients without moving them into a hospital which was heretofore probably not possible. Therefore, we find in this Public Health Service that the demand on us is to provide out-patient service in the hospitals to a far greater degree than we ever anticipated even 10 years ago.

Now, these hospitals that are in the District of Columbia are very old. They provide none of these facilities that I am talking about. The 50-percent grant, if you might call it that, by the Federal Government, a third of which or rather 30 percent of which is to be paid for by the District of Columbia, will permit some of these hospitals to provide either major extensions to their present plants or new facilities.

I know one in particular, Providence Hospital, expects to build a new hospital in the northeast section where there is a high concentration of people. They presently have a hospital in the southeast section. I also understand that a considerable amount of facilities will still be maintained there, more in the nature of an out-patient operation than as a hospital itself.

During the hearings before the subcommittee of the House District Committee much interest was expressed as to the reasons why the Hospital Survey and Construction Act of August 13, 1946, popularly known as the Hill-Burton Act, is inadequate for the purpose of financing or providing substantial assistance in the financing of new hospital construction in the District of Columbia. The following statement was prepared in answer to this rather important point and it is herewith included as a part of this report.

PURPOSE OF LEGISLATION PRIMARILY TO AID STATES

The Hill-Burton Act is essentially an effort by the Federal Government to assist the States (*a*) to inventory their existing hospitals and survey the need for the construction of public and nonprofit hospitals, clinics, etc.; and (*b*) to assist in the construction of public and other nonprofit hospitals in accordance with such programs. It is important to note at the outset that the declaration of the purpose of the act is expressly stated "to assist the several States" in surveying their hospital needs and in constructing public and other nonprofit hospitals, as aforesaid. When this act is applied to the District of Columbia, we are confronted with the absence of a State legislature able to appropriate State revenues to share the costs of constructing hospital facilities in conjunction with the Federal aid provided by the Hill-Burton Act. Specifically, Congress as the legislature for the District of Columbia is the only source of governmental funds which can take the place in the District of appropriations and financial aid provided by States, counties, and municipalities to their own public and nonprofit hospitals.

The importance of this distinction will become more apparent when I consider, in the latter part of this letter, the limited extent of the aid provided under this act.

ANALYSIS OF ACT, FUNDS AUTHORIZED, AND ALLOTMENT TO DISTRICT

For your information, I enclose herewith a copy of the Hill-Burton Act, enacted August 13, 1946, and also amendment thereto approved October 25, 1949. Analysis of this legislation indicates that the act is divided into four main parts:

Part A: Declaration of purpose.

Part B: Surveys and planning (authorizes an appropriation of $3,000,000 to the States for the purpose of making surveys and developing programs for construction of necessary hospital facilities).

Part C: Construction of hospitals and related facilities is the heart of the act and states amount and conditions of Federal assistance in the actual construction of hospitals and related facilities.

Part D: Miscellaneous (containing provisions and definitions).

For our purpose, we need only focus our attention on part C of the act which authorizes an annual appropriation of $75,000,000 for assistance in the construction of public and nonprofit hospitals throughout the Nation for a 5-year period. Such assistance, however, is extended to States which have developed State plans which meet the requirements of the act and which are approved by the Surgeon General.

While the District of Columbia (as also the Territories) has set up an agency under the Health Department which qualifies as a State plan under the provisions of the act, the amounts available to the District of Columbia for assistance in hospital construction have proved entirely inadequate. The original act provided that the allotments to a State should not be more than 33⅓ percent of the cost of approved projects within such State and the maximum available to each State (or Territory) was determined by a proportionate population formula.

For the first several years of the operation of this act following its approval in August of 1946, the amount allocable to the District of Columbia under the population formula ran around $275,000. For the first 2 years, these funds were applied in the District of Columbia to build a pediatrics division at Gallinger Hospital. The next year the amount was granted to Children's Hospital to aid in partial rebuilding program and constituted a very small part of the total funds necessary for even this limited purpose.

1949 AMENDMENT TO ACT AND EFFECT OF WEIGHTED FORMULA ON DISTRICT'S SHARE

Indeed, the amounts provided by the Hospital Survey and Construction Act having proved generally inadequate throughout the country, on October 25, 1949, Congress amended the act to increase the over-all appropriation for assistance to hospital construction from $75,000,000 to $150,000,000. The determination of the amount of the Federal share was also liberalized to provide for a sliding scale which would permit a Federal share as much as 66⅔ percent of the cost of construction of any project. The formula for the annual allotment of the appropriation among the several States was changed in order to provide greater financial assistance to States with smaller economic resources and is now based on population weighted by per capita income. The actual application of this formula is a bit complicated, and rather than detail the same here I simply enclose data from the Federal Security Agency, Public Health Service, indicating the method of allotment. Pertinent parts of the same are scored in red pencil.

The increase in the over-all appropriation in fiscal 1950 from $75,000,000 to $150,000,000 and the application of the said weighted formula to the District of Columbia made available here the sum of $490,555 for that year. However, for fiscal 1951, the Congress cut the over-all appropriation from $150,000,000 to $85,000,000 so that there was available for the said past fiscal year only the sum of $276,000 for the District of Columbia which, I am advised by the Health Officer, was granted to Children's and Casualty Hospitals.

For fiscal 1952, the District Health Officer further advises that the allotment for the District of Columbia will probably be substantially less than even the $276,000 provided in 1951; that $70,000 to $80,000 of this has been tentatively approved for George Washington University Hospital; and that the District of Columbia government will probably obtain the balance of the 1952 allotment for the construction of an infirmary at the home for the aged indigent at Blue Plains. This last points up a fact which is not often appreciated in the discussion of the Hill-Burton Act; namely, that the funds made available to each State and to the District of Columbia are to be used alike for nonprofit hospitals and for public hospitals and health centers. In other words, a voluntary hospital which is asking assistance from this source must compete not only with the applications of other nonprofit hospitals but also with public health centers and hospitals for part of the pitiably inadequate sum made available each year.

HILL-BURTON FUNDS AVAILABLE IN DISTRICT BEAR NO RELATION TO ACTUAL COSTS AND NEEDS OF NEW HOSPITAL CONSTRUCTION HERE

In this connection, I direct your attention to the enclosed list of the grants-in-aid made under the Hospital Survey and Construction Act as amended for the

years 1949 and 1950 on the official form of the Public Health Service, marked in red (exhibit D).

Now, 1950 was the year that the District received its greatest aid (i. e., the year when the total over-all appropriation was $150,000,000). It will be seen at a glance that the amount made available for that year to the District of Columbia of $490,555 is based on a Federal contribution of only 38.39 percent of the total cost of any approved hospital construction work. When it is considered that it costs about $6,000,000 to build a modern general hospital of about 350 beds (regarded by the Public Buildings Administration as an optimum and economic size) at the present time, we recognize immediately the impossibility of initiating the construction of any new hospital on the basis of aid from the Hill-Burton Act.

This very question was carefully studied by Congressman Healy and his committee in their hearings on the original Hospital Center Act. In his report, dated July 17, 1946, on S. 223, he adverts to the possibility of the Hill-Burton Act affording any help in the reconstruction of the District's obsolescent voluntary hospitals, as follows:

"But whatever the Hill-Burton bill does mean, if it is approved, reliance on it for relief of the hospital problem in Washington requires departure from reality into the realm of fantasy. This is more so in view of the amendments suggested by the report of the Commerce Committee with respect to the share of the District of Columbia. Under the Senate version, the District's share and the District's required contribution had no sound relation either to the hospital needs in Washington or the realities of the financial ability of the District government of the possibilities of private philanthropy, both of which are controlled or influenced by Congress and the Federal establishment. But under the amendments the District's share is $1,170,000, its required contribution raised to $2,385,000 [presumably over the 5-year life of this legislation]. And that in the face of a demonstrated need of 40 millions. This is not even a suggestion of the solution of the District's problem. It fails to recognize that constitutionally and historically the District of Columbia is not a State but the Federal City. And that it is the duty of Congress to provide for it as such. No escape from that duty by classifying Washington as a State or a politically free city, when it is not, solves any municipal problem here but only accentuates it."

DISTRICT OF COLUMBIA STANDS IN DIFFERENT POSITION THAN THAT OF THE STATES

Since the formula on which the allotments are made under the amended Hill-Burton Act is based not only on population but is weighted heavily by per capita income of the State or Territory, it is clear that the amount available to the District of Columbia will always be comparatively less than to most States. On the other hand, while the per capita income of the District of Columbia is relatively large, the large number of Federal employees whose salaries are responsible for the relatively high per capita income do not for the most part consider themselves permanently members of the community or obligated to contribute their savings for long-range hospital construction. The District of Columbia is, moreover, notoriously lacking in big industry or citizens of large wealth who might establish endowments or bequests similar to those which have aided in the construction of hospitals in many of the States.

Even from the population side of the yardstick, we find that the unique position of the District, with its limited boundaries, brings about a large reduction in the District's share of this Federal aid. Actually the land within the legal limits of the District is only the core of a larger contiguous metropolitan area.

These political boundaries dividing metropolitan Washington thus create a situation without counterpart insofar as the provision for Federal aid of hospital facilities are concerned. The District's share of Hill-Burton funds is predicated upon a population of 802,200 legal residents while the actual population of the metropolitan area is 1,464,400, or more than 50 percent more than the allowable basis.

It is neither medically nor economically sound for the suburban areas of Virginia and Maryland to provide themselves with the extensive hospital facilities needed to treat all types of illness. Thus, many of the needs of these communities must be met by the larger teaching hospitals of the District which, either by virtue of their size or the large population they serve, can provide the specialized services required by the residents of the city's sprawling suburbs.

Some indication of the extent to which these communities are dependent upon District hospitals is given in the report of the Montgomery County Hospital Facilities Advisory Committee published in 1950 which shows that the hospitals

of the District provide the larger portion of the total hospitalization required by the general population of the county despite the fact that the county has three excellent general hospitals with a total capacity of 455 beds. Substantially the same situation prevails in the other suburban areas.

COMPARISON OF DISTRICT ALLOTMENT TO THOSE OF STATES

Looking down the enclosed list of grants-in-aid (contained in exhibit C), it is interesting to compare the 1950 grant to the District of Columbia in the amount of $490,555 to the $4,619,631 granted Puerto Rico and the more than $6,000,000 given to the State of North Carolina. You will note that many of the other States also receive sums which, in 1 year, could make a good start in the building of a new hospital. Not only does the District of Columbia (by reason of its transient population) not have available any substantial endowments from citizens of wealth, but there are no State, county, or municipal funds to draw upon to make up the large difference between the small aid and the total cost of a new hospital. The result is that, insofar as the District of Columbia is concerned (and now that the annual amount of Hill-Burton assistance is running less than $300,000 a year), it would take the entire allocation for the District for 20 years to supply the cost of building a single new general hospital such as is required by Providence. When it is considered that the Hill-Burton Act contemplates appropriations for only the 5 years succeeding 1949, that the limited amounts available must also supply the current needs of the Public Health authorities, and that there is further denied any contributions from the District of Columbia revenues, it is clear that, as a practical matter, neither Providence nor any other voluntary hospital can look to the Hill-Burton Act for the funds necessary to finance the construction of a new hospital, even though it be willing and able, as Providence is, to raise one-half of the total cost itself.

It seems that the only solution for the problem of Providence Hospital and other nonprofit hospitals similarly situated is the enactment of legislation along the lines of the proposed amendment to the Hospital Center Act (H. R. 2094) which will make available reasonable grants where actually needed up to 50 percent of the costs of new construction, which requires private sources to contribute the other 50 percent, and which requires District of Columbia revenues to bear 30 percent of the said 50 percent grant of public funds.

SUMMARY

In summary, then, it can be stated that, while the Hill-Burton Act is excellent legislation currently affording substantial aid to many of the States, it definitely does not answer the major problem of the reconstruction of the obsolescent voluntary hospitals in the District of Columbia or, more specifically, the problem of building a new Providence Hospital. The reasons for this inadequacy may be stated as follows:

(1) The Hill-Burton Act is fundamentally designed to aid the States in their hospital problems rather than the District of Columbia. It provides Federal funds which can be used to supplement the funds of States, counties, and municipalities in building up their public and nonprofit hospitals, health centers, and clinic facilities. Congress alone can act in the role of a State legislature in the District of Columbia, and, hence, in the absence of further congressional legislation, there is no source of public funds in the District comparable to that available to nonprofit hospitals in the several States.

(2) The application of the formula set up by the United States Public Health Service under the amended Hill-Burton Act to the District of Columbia results in a very limited allotment of funds for this jurisdiction. This formula is based on two chief factors: population and per capita income. As to the first, the number of persons residing within the constricted District limits does not fairly reflect the much larger number of the metropolitan area who use the big voluntary hospitals in the District for most of their major surgery and hospitalizations. As to the second factor, the relatively high per capita income of the District of Columbia residents also makes for a very small allotment to the District of Columbia, without providing our local hospitals with endowments or much community support because of the very nature of the National Capital and the transient character of much of its population. For fiscal 1951 the maximum amount of Hill-Burton funds available here was $276,000. The Health Office of the District of Columbia advises that the amount for fiscal 1952 will probably be even lower.

(3) The allotment to the District of Columbia is not only inadequate in its gross amount, but under the terms of the Hill-Burton Act it is to be made avail-

able for the building of public hospitals, health centers, and clinic facilities as well as private nonprofit hospitals. The result is that the amount available to any single voluntary hospital, even over a period of several years, would be only a drop in the bucket in undertaking the cost of building a new hospital. It is estimated that the total cost of building a new Providence Hospital only a little larger than the present obsolete and depreciated plant would be in the neighborhood of $6,000,000. Compare this with the total of $276,000 made available for all District of Columbia hospital needs, public and private. Indeed, if we assume, as on the basis of past experience we must, that approximately one-half of the annual allotment of the District of Columbia will go to public hospital and clinic needs, we are left with about $135,000 a year for the voluntary hospitals, a figure which, far from bringing about the desperately needed replacement of the seven or eight obsolescent voluntary hospitals, hardly covers the annual depreciation on the two modern voluntary hospitals, Georgetown and George Washington.

This legislation has the approval of many physicians and public-spirited citizens of the District of Columbia and has been approved by the Commissioners of the District of Columbia, who in their own words—

have given careful consideration to this legislation, and in light of the urgent need for additional hospital facilities in the District of Columbia recommend the enactment of this bill.

The bill has also been approved by the Bureau of the Budget.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

[PUBLIC LAW 648—79TH CONGRESS]

[CHAPTER 803—2D SESSION]

[S. 223]

AN ACT To provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, *to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes*

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to provide more adequate hospital facilities in the District of Columbia the Federal Works Administrator is authorized to [acquire land and construct buildings] *acquire land, construct buildings, and make grants to private agencies* and to these ends is empowered:

(a) to acquire prior to the approval of title by the Attorney General (without regard to sections 1136, as amended, and 3709 of the Revised Statutes) improved or unimproved lands or interests in lands in the District of Columbia by purchase, donation, exchange, or condemnation (including proceedings under the Acts of August 1, 1888 (25 Stat. 357), March 1, 1929 (45 Stat. 1415), and February 26, 1931 (46 Stat. 1421)) for such hospital facilities;

(b) by contract or otherwise (without regard to sections 1136, as amended, and 3709 of the Revised Statutes, and section 322 of the Act of June 30, 1932 (47 Stat. 412), prior to approval of title by the Attorney General, to make surveys and investigations, to plan, design, and construct hospital facilities in the District of Columbia on lands or interests in lands acquired under the provisions of subsection (a) hereof or on other lands of the United States which may be available (the transfers of which for this purpose by the Federal agency having jurisdiction thereof are hereby authorized notwithstanding any other provision of law), provide proper approaches thereto, utilities, and procure necessary materials, supplies, articles, equipment, and

machinery, and do all things in connection therewith to carry out the provisions of this Act; and

(c) *To make grants to private agencies in cash, or in land or other property (which the Administrator is hereby authorized to acquire for such purpose by purchase, condemnation, or otherwise) upon such terms and in such amounts or of such value as the Administrator may deem to be in the public interest to enable such private agencies to make surveys and investigations, to plan, design, construct, remodel, relocate, rebuild, renovate, extend, equip, furnish, or repair hospital facilities in the District of Columbia: Provided, That in no event shall the amount or value of the grant exceed 50 per centum of the value of the hospital plant of a private agency as improved with the aid of such grant: Provided further, That except in the case of the construction and equipment of a new hospital, no such grant shall be made to any private agency unless such private agency shall obligate itself to pay at least 50 per centum of the cost of any project for which such grant is made. As used in this Act, the term "private agencies" shall mean any nonprofit private agencies operating hospital facilities in the District of Columbia.*

SEC. 2. Notwithstanding any other provision of law, whether relating to the acquisition, handling, or disposal of real or other property by the United States or to other matters, the Federal Works Administrator, with respect to any hospital facilities acquired or constructed under the provisions of this Act, is authorized to enter into leases with private agencies for the operation and maintenance of such hospital facilities or usable separable portions thereof upon such terms, including the period of any such leases, annual rentals, provision for joint use of facilities, provisions for operation, maintenance, repair and replacement of buildings, equipment, machinery and furnishings, and appropriate security to assure the performance of any such leases, and to sell for cash or credit or to convey in exchange for other properties any such hospital facilities or usable separable portion thereof to private agencies on such terms as may be deemed by the Administrator to be in the public interest: *Provided*, That all hospitals participating in such center shall be required either to convey to the Government, free and clear of all incumbrance, the land and buildings now held by them or to sell the same at such prices as is agreed to and approved by the Federal Works Administrator and to pay the proceeds thereof to the Government at the option of the Federal Works Agency.

SEC. 3. In carrying out the purposes of this Act, the Federal Works Administrator shall provide a hospital center of such size and design as he shall deem feasible and economical of operation.

SEC. 4. In carrying out the provisions of this Act the Federal Works Administrator is authorized to utilize the services of or to act through the United States Public Health Service in the Federal Security Agency, the Federal Works Agency, and any other department or agency of the United States, and any funds appropriated pursuant to this Act shall be available for transfer to such department or agency in reimbursement thereof.

SEC. 5. Thirty per centum of the net amount expended by the Federal Works Administrator under this Act shall be charged against the District of Columbia and shall be repaid to the Government by the Commissioners of the District of Columbia [at such times and in such amounts, without interest, as the Congress shall hereafter determine] *at the annual rate, without interest, of 3 per centum of such 30 per centum.* The District of Columbia shall be entitled to 30 per centum of the sale price of any of the properties sold by the Federal Works Administrator under section 2 of this Act, other than properties the value of which is deducted from the gross amount expended to determine the net amount upon which the 30 per centum to be charged against the District of Columbia is computed, and the District of Columbia shall also be entitled to receive 30 per centum of any rentals received from the leasing of any of the hospital facilities acquired or constructed by the Federal Works Administrator under this Act. The amounts which may be due the District hereunder shall be credited on the amount owed the Government by the District of Columbia until such obligation of the District is discharged in full.

SEC. 6. For carrying out the purposes of this Act, including administrative expenses, there is hereby authorized to be appropriated during the period ending June 30, 1952, the sum of $35,000,000 to be appropriated at such times and in such amounts as the Congress shall determine.

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